

LABOR MARKET REVIEW

Statistical Data for July 2006

Region 7

September 2006

LABOR FORCE ESTIMATES JULY 2006 Preliminary Unemployment Rates

| AREA | LABOR FORCE | EMPLOYED | UNEMPLOYED | 7/06 | 6/06 | 7/05 |
|------------------------------|----------------|-------------|------------|-------|------|-------|
| U.S. | 153,208,000 | 145,606,000 | 7,602,000 | 5.0% | 4.8% | 5.2% |
| INDIANA | 3,297,700 | 3,114,800 | 182,900 | 5.5% | 5.1% | 5.3% |
| Economic Growth Region 7* | 110,650 | 103,112 | 7,538 | 6.8% | 6.5% | 6.5% |
| Terre Haute MSA** | 83,510 | 77,810 | 5,700 | 6.8% | 6.6% | 6.5% |
| Clay County | 13,680 | 12,820 | 860 | 6.3% | 5.3% | 6.6% |
| Parke County | 8,595 | 8,100 | 495 | 5.7% | 5.5% | 5.7% |
| Putnam County | 18,550 | 17,210 | 1,340 | 7.2% | 6.5% | 6.8% |
| Sullivan County | 9,510 | 8,920 | 590 | 6.2% | 5.8% | 6.4% |
| Vermillion County | 8,340 | 7,750 | 590 | 7.1% | 6.7% | 6.3% |
| Vigo County | 51,980 | 48,320 | 3,660 | 7.0% | 7.1% | 6.5% |
| Brazil City | 3,985 | 3,690 | 95 | 7.4% | 5.9% | 8.9% |
| Clinton City | 2,335 | 2,115 | 220 | 9.3% | 8.2% | 7.9% |
| Greencastle City | 5,075 | 4,560 | 515 | 10.1% | 9.1% | 8.8% |
| Rockville City | 1,380 | 1,235 | 145 | 10.4% | 9.9% | 10.4% |
| Sullivan City | 1,970 | 1,815 | 155 | 8.0% | 6.8% | 8.3% |
| Terre Haute City | 27,600 | 25,320 | 2,280 | 8.3% | 8.1% | 7.3% |

*EGR 7 includes Clay, Parke, Putnam, Sullivan, Vermillion and Vigo counties

** Terre Haute MSA includes Clay, Sullivan, Vermillion and Vigo counties



| Surrounding States | Unemployment Rates |
|-----------------------|--------------------------------------|
| July 2006 | (Non-seasonably adjusted) |
| Illinois | 4.8% |
| Kentucky | 6.2% |
| Michigan | 7.7% |
| Ohio | 5.8% |

REGIONAL, STATE, & METROPOLITAN UNEMPLOYMENT

Regional and state unemployment rates were up slightly in July. Forty-one states and the District of Columbia recorded over-the-month unemployment rate increases, seven states registered rate decreases, and two states had no change, the Bureau of Labor Statistics of the U.S. Department of Labor reported today.

State Unemployment (Seasonally Adjusted)

Mississippi again posted the highest unemployment rate (8.0 percent) in July. Alaska and Michigan had the next highest rates, 7.0 percent each. The states recording the lowest jobless rates were Louisiana, 2.9 percent, and Hawaii and Wyoming, 3.0 percent each. Louisiana reported the lowest unemployment rate in its series. In July, 17 states registered unemployment rates that were significantly below the U.S. rate, 11 states reported measurably higher rates, and 22 states and the District of Columbia had rates that were little different statistically from that of the nation.

Unemployment rates were lower in July than a year earlier in 214 of the 367 metropolitan areas, higher in 116 areas, and unchanged in 37 areas, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. Nineteen metropolitan areas registered jobless rates below 3.0 percent, while four areas recorded rates of 10.0 percent or more.

Metropolitan Division Unemployment (Not Seasonally Adjusted)

Fort Lauderdale-Pompano Beach-Deerfield Beach, Fla., again posted the lowest division unemployment rate, 3.3 percent in July.

UNEMPLOYMENT RATE RANKING by COUNTY (High to Low)

| JUL 2006 RANK | COUNTY | JUL 2006 RATE |
|------------------|------------|------------------|
| 11 | Putnam | 7.2% |
| 17 | Vermillion | 7.1% |
| 18 | Vigo | 7.0% |
| 27 | Clay | 6.3% |
| 32 | Sullivan | 6.2% |
| 41 | Parke | 5.7% |

TERRE HAUTE MSA

(Clay, Sullivan, Vermillion and Vigo Counties)

WAGE AND SALARIED EMPLOYMENT

| | Jul 2006 | Jun 2006 | Jul 2005 | CHANGE FROM | | | |
|---|-------------|-------------|-------------|----------------------------|--------|----------------------------|-------|
| | | | | Jun 2006 TO Jul 2006 | | Jul 2005 TO Jul 2006 | |
| Total Nonfarm | 72,900 | 73,600 | 72,100 | -700 | -1.0% | +800 | +1.1% |
| Total Private | 61,600 | 61,900 | 60,400 | -300 | -0.5% | +1,200 | +2.0% |
| Goods Producing | 16,400 | 16,300 | 16,000 | +100 | +0.6% | +400 | +2.5% |
| Service-Providing | 56,500 | 57,300 | 56,100 | -800 | -1.4% | +400 | +0.7% |
| Private Srvc Provider | 45,200 | 45,600 | 44,400 | -400 | -0.9% | +800 | +1.8% |
| Nat. Res & Construct | 3,600 | 3,600 | 3,700 | +0 | +0.0% | -100 | -2.7% |
| Manufacturing | 12,800 | 12,700 | 12,300 | +100 | +0.8% | +500 | +4.1% |
| Trade, Transportation, Wholesale Trade | 14,400 | 14,500 | 14,400 | -100 | -0.7% | +0 | +0.0% |
| Retail Trade | 1,700 | 1,700 | 1,800 | +0 | +0.0% | -100 | -5.6% |
| Trans,Warehouse, Utili | 9,800 | 9,900 | 9,900 | -100 | -1.0% | -100 | -1.0% |
| Information | 2,900 | 2,900 | 2,700 | +0 | +0.0% | +200 | +7.4% |
| Financial Activities | 800 | 800 | 800 | +0 | +0.0% | +0 | +0.0% |
| Professional and Busin | 2,700 | 2,700 | 2,700 | +0 | +0.0% | +0 | +0.0% |
| Educational and Health | 5,100 | 5,200 | 5,000 | -100 | -1.9% | +100 | +2.0% |
| Leisure and Hospitality | 12,200 | 12,300 | 11,600 | -100 | -0.8% | +600 | +5.2% |
| Other Services | 7,100 | 7,100 | 7,000 | +0 | +0.0% | +100 | +1.4% |
| Government | 2,900 | 3,000 | 2,900 | -100 | -3.3% | +0 | +0.0% |
| Federal Government | 11,300 | 11,700 | 11,700 | -400 | -3.4% | -400 | -3.4% |
| State Government | 1,500 | 1,500 | 1,600 | +0 | +0.0% | -100 | -6.3% |
| Local Government | 3,700 | 3,700 | 4,100 | +0 | +0.0% | -400 | -9.8% |
| Local Govt Education | 6,100 | 6,500 | 6,000 | -400 | -6.2% | +100 | +1.7% |
| | 2,700 | 3,200 | 2,700 | -500 | -15.6% | +0 | +0.0% |

NATURAL RESOURCES AND MINING EMPLOYMENT SHOWN ONLY IN TOTAL NONAGRICULTURAL, PRIVATE & GOODS PRODUCING.
CONSTRUCTION EMPLOYMENT SHOWN ONLY IN TOTAL NONAGRICULTURAL, PRIVATE & GOODS PRODUCING.



MONTHLY COMPARISON OF UNEMPLOYMENT CLAIMS BY OFFICE TOTAL ALL CLAIMS FILED



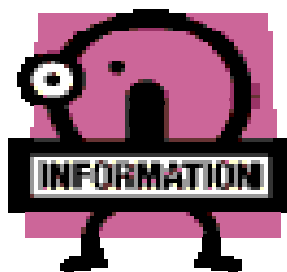
| LOCAL OFFICE | July 2006 Initial Claims | July 2006 Total Claims | | June 2006 Initial Claims | June 2006 Total Claims |
|-----------------|--------------------------------|------------------------------|--|--------------------------------|------------------------------|
| Terre Haute | 1,231 | 12,127 | | 1,229 | 9,717 |
| INDIANA | 51,719 | 323,906 | | 25,352 | 218,064 |
| | | | | | |

Bureau of Labor Statistics Reports...

A new measurement of Americans' finances shows that almost half of working-age households -- given current savings rates and changes in pensions and Social Security -- are at risk of being unable to maintain their standard of living in retirement, writes Glenn Ruffenach in The Wall Street Journal (page D3). The study, by the Center for Retirement Research at Boston College, provides some of the clearest evidence to date of what economists have been warning for years. Starting with data from the Federal Reserve Board's 2004 survey of 4,500 U.S. households and their finances, Dr. Alicia Munnell, the center's director and her colleagues developed what they call a National Retirement Risk Index. The index projects the amount of income U.S. households likely will have at age 65, compared with their preretirement income. This "replacement rate" is then compared with a target income rate, one that would allow a family to maintain its preretirement standard of living. A household is considered "at risk" if it falls more than 10 percent short of the target income. In all, 43 percent of working-age households currently are at risk of seeing their standard of living fall in retirement. Among low-income families, 53 percent are at risk.

Retirement used to be so simple," writes Mindy Fetterman in USA Today, page 1B; (http://usatoday.com/money/perfi/retirement/2006-06-25-retire-cover-usat_x.htm). "Two years off work, and then you died," quips Drew Denning, vice president of retirement services for Principal Financial Group. No more. As longevity stretches today once unthinkable lengths, many of America's 79 million baby boomers are facing not a brief retirement but 20, 30 or 40 more years of live -- the longest retirements that any U.S. generation has yet experienced." "For a 65-year-old couple today," Denning says, "there's a 45 percent chance that one of them will make it to 95." As the oldest boomers turn 60 this year, many are realizing they haven't saved enough to support themselves for several decades more. "The top one-third of the boomers will have lots of choices, and the bottom one-third will be working until they drop just to keep food on the table," says Paul Hodge of the Harvard Generations Policy Program at Harvard University. "The middle third will muddle along." Still, most of this generation envisions an "active retirement" with a chance to remake their lives through new careers and interests, according to Fetterman. An accompanying graph shows that 19 percent of retirees are empowered reinventors; 19 percent are carefree contents, 22 percent are uncertain searchers, and 40 percent are worried strugglers. 92 percent of empowered reinventors agree: "My retirement has worked out the way I planned it." as did 88 percent of carefree contents, 82 percent of uncertain searchers, but only 33 percent of worried strugglers. Asked "What is the hardest thing to deal with in retirement 41 percent said health insurance; 23 percent said loss of income from work; 13 percent said loss of social connections at work; 7 percent said loss of purpose, boredom; and 6 percent said changing relationship with spouse/family. Source of the data is Age Wave and Ameriprise Financial survey of 2,000 people between age 40 and 75. Eighty-three percent were retirees.

An article from Wall Street Journal includes a retirement section that reports online employment networks are springing up for the 55-plus crowd. Kristi Essick, The Wall Street Journal reporter, says "Faced with the prospect of millions of retiring baby boomers, companies across the country are increasingly eager to lure back to the work force retirees with decades of experience in their chosen fields. But finding the right candidates has been tricky, with most companies relying on personal connections to locate willing older workers", The article lists and describes five 55-plus online hiring websites.



Research & Analysis has a new website ~

Hoosiers by the Numbers, operated by the Indiana Department of Workforce Development. The site can be accessed at www.hoosierdata.in.gov. The new site contains labor market data, statistics and trends compiled by the Department and the United States Department of Labor. The new web site is part of a major upgrade of the content and usability of the labor market information data the department regularly compiles on Indiana's workforce. It offers improved functionality in that users can more easily sort and rank data, can "grab" data in spreadsheet or text formats, and more easily make geographic comparisons. The data on the web site is used by economic development officials, researchers, policy-makers and other officials in a wide variety of economic development initiatives and community investment decisions.

WAGE DEMAND INFORMATION

Wage Demand provides the number of applicants registered in CS3, as well as the annual and median wages that the applicants expect to be paid.

As of 9/10/2006

| | Average Annual | Median Annual | Number of Applicants |
|---|-------------------|------------------|-------------------------|
| *EGR 7 | \$23,927 | \$18,720 | 4,691 |
| *Economic Growth Region (EGR) 7 includes Clay, Parke, Putnam, Sullivan, Vermillion and Vigo counties. | | | |

CONSUMER PRICE INDEX (CPI-U)

U.S. City Average

Source: U.S. Bureau of Labor Statistics

Unadjusted percent change to Jul 2006 from:

| | <u>Jul 05</u> | <u>Jun 06</u> |
|-------------------------|---------------|---------------|
| All Items | 4.1% | 0.3% |
| Food/Beverages | 2.2% | 0.3% |
| Housing | 4.1% | 0.5% |
| Apparel | 0.0% | -4.3% |
| Transportation | 8.4% | 0.9% |
| Medical Care | 4.0% | 0.3% |
| Recreation | 2.0% | 0.1% |
| Education/Communication | 3.0% | 0.3% |
| Other Goods/Services | 2.3% | -0.1% |



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Serving...

Economic Growth Region 7: Clay, Parke, Putnam,
Sullivan, Vermillion and Vigo counties

APPLICANT POOL

As of 9/10/2006

| Job Title | Number of Applicants Economic Growth Region 7 |
|--|--|
| Cashiers, General | 460 |
| Administrative Assistants | 279 |
| Secretaries - Other | 252 |
| Receptionists/Information Clerks | 360 |
| File Clerks | 314 |
| Customer Service Reps -Utilities | 241 |
| General Office Clerks | 457 |
| Data Entry Keyers, Except Composing | 266 |
| Postal Service Clerks | 199 |
| Stock Clerks : Stockroom/Warehouse | 216 |
| Order Fillers - Wholesale/Retail Sales | 215 |
| Shipping & Receiving Clerks | 226 |
| Packaging/Filling Mach Operators | 211 |
| All Other Machine Operators | 381 |
| Assemblers (Factory Work) | 941 |
| All Other Hand Workers | 345 |
| Forklift/Industrial Truck Operators | 445 |
| Hand Packers & Packagers | 428 |
| Production Laborers | 803 |
| Production Helpers | 265 |

*The Department of Workforce Development's Customer Self Service System (CS3) performs matches between job applicants looking for work and employers looking for applicants to hire. **Applicant Pool** provides a numerical listing of the top jobs being sought by job applicants.



R&A Website

Hoosiers by the Numbers

<http://www.hoosierdata.in.gov>

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